

# PARTIAL LISTING



US006014641A

**United States Patent [19]**  
**Loeb et al.**

[11] Patent Number: **6,014,641**  
[45] Date of Patent: **Jan. 11, 2000**

[54] **METHOD AND APPARATUS FOR PROVIDING OPEN-ENDED SUBSCRIPTIONS TO COMMODITY ITEMS NORMALLY AVAILABLE ONLY THROUGH TERM-BASED SUBSCRIPTIONS**

[75] Inventors: Michael R. Loeb, Darien; Jay S. Walker, Ridgefield, both of Conn.

[73] Assignee: Walker Asset Management Limited Partnership, Stamford, Conn.

[21] Appl. No.: **08/762,007**

[22] Filed: **Dec. 11, 1996**

[51] Int. Cl. <sup>7</sup> ..... **G06F 17/60**

[52] U.S. Cl. ..... **705/34; 705/1; 705/30**

[58] Field of Search ..... **705/7, 8, 10, 28, 705/22, 26, 27, 1, 30, 34**

[56] **References Cited**

**U.S. PATENT DOCUMENTS**

4,799,156	1/1989	Shavit et al.	.
5,168,445	12/1992	Kawashima et al.	..... 705/26
5,319,542	6/1994	King, Jr. et al.	.
5,475,585	12/1995	Bush.	.
5,483,445	1/1996	Pickering	..... 705/34
5,521,966	5/1996	Friedes et al.	.
5,592,375	1/1997	Salmon et al.	.

**OTHER PUBLICATIONS**

Jennifer Howland, "National Distributors: Scanning the Future", Folio Magazine, Feb. 1985 at p. 69.

Wally Wood, "Circulation Marketing: Let Your Magazine Do The Selling", Folio Magazine, Jun. 1985, at p. 78.

Scott Donation, "Magazines Set to Test Automatic Renewals", Advertising Age, Jan. 7, 1991 at p. 6.

Echo Montgomery Garrett, "Playing the Trump Card . . .", Folio's Publishing News, Jan. 15, 1991 at p. 29.

Elliot King, "Magazines Test "Till Forbid" Programs", Target Marketing, Feb. 1991 at p. C2.

Tony Silber, "No Automatic Acceptance for AutoRenew", Folio Magazine, May 1, 1991 at p. 13.

John Motavalli, "AmEx Merger Talks Near End", Inside Media, Nov. 20, 1991 at p. 1.

John Motavalli, "Time and AmEx Discuss Merging Titles", Inside Media, Feb. 5, 1992.

Scott Donaton, "AmEx Will Revamp 2 Books", Advertising Age, Feb. 17, 1992 at p. 54.

Fred Pfaff et al., "AmEx Shuffles Magazine Group", Inside Media, Mar. 4, 1992 at p. 1.

John Motavalli, "Time Warner-AmEx Talks at Highest Levels", Inside Media, Apr. 29, 1992 at p. 22.

Karen Burk, "Time, AmEx Close in on Joint Venture", Direct Magazine, Jan. 1993 at p. 11.

John Motavalli, "Chuckles at Rumors . . .", Inside Media, Jan. 20, 1993 at p. 28.

William Smith, "Can Atlanta's Premier Magazine About Culture, Food, Entertainment, Food, Celebrities, Food, Fashion, Food, Politics and Food Make It on a Greatly Slimmed Down Budget?", Georgia Trend, Sep. 1993 at p. 52.

Publishers Clearing House on-Line magazine ordering entitled "Deal of the Day," dated Thursday, Mar. 6, 1997, accessible through www.pch.com, 8 pp.

Folio: The Magazine for Magazine Management, Aug. 1, 1996, "New Hope For Autorenewals. Automatic Magazine Subscription Renewal", vol. 25, No. 11, p. 24, ISSN: 0046-4333.

(List continued on next page.)

*Primary Examiner—Stephen R. Tkacs*

*Assistant Examiner—Alexander Kalinowski*

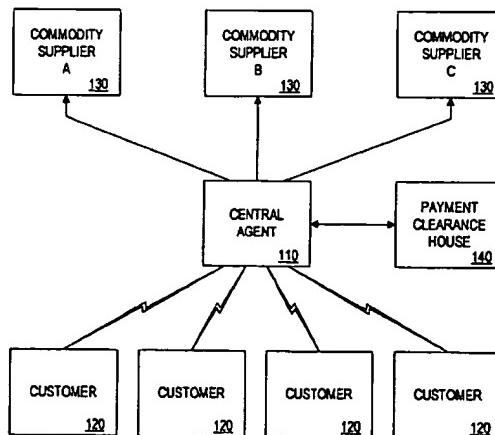
*Attorney, Agent, or Firm—Jeffrey L. Brandt, Esq*

[57]

**ABSTRACT**

A system for providing an open-ended subscription to commodity items normally available on a term basis includes a central agent that serves as the front-end for commodity suppliers. This central agent maintains databases containing information associated with a group of commodity items and their sales. Using these databases, the central agent produces subscription records to provide open-ended subscription services to its customers, while supporting the term-based subscriptions of the commodity suppliers.

45 Claims, 13 Drawing Sheets



Part of  
Examiner  
Search Notes

US-PAT-NO: 6014641

DOCUMENT-IDENTIFIER: US 6014641 A

TITLE: Method and apparatus for providing open-ended  
subscriptions to commodity items normally available only  
through term-based subscriptions

----- KWIC -----

Abstract Text - ABTX (1):

A system for providing an open-ended subscription to commodity items normally available on a term basis includes a central agent that serves as the front-end for commodity suppliers. This central agent maintains databases containing information associated with a group of commodity items and their sales. Using these databases, the central agent produces subscription records to provide open-ended subscription services to its customers, while supporting the term-based subscriptions of the commodity suppliers.

Application Filing Date - AD (1):

19961211

TITLE - TI (1):

Method and apparatus for providing open-ended subscriptions to commodity items normally available only through term-based subscriptions

Brief Summary Text - BSTX (3):

The present invention relates generally to subscription services. More particularly, the invention relates to a method and apparatus for providing open-ended availability to commodity items, such as magazines, normally available to consumers only through renewable term-based subscriptions.

Brief Summary Text - BSTX (5):

Most periodicals, such as newspapers and magazines, are available to consumers through subscriptions. Such subscriptions allow consumers to receive delivery of the periodicals at home. Subscriptions available for newspapers, however, differ from subscriptions available for magazines in at least one respect. Newspaper subscriptions are typically available on a continuous, or open-ended basis, where the subscriptions do not expire simply because a period of time, or term, has elapsed. Rather, newspaper subscriptions terminate only after subscribers contact the newspaper publisher and cancel the subscriptions. In the context of subscriptions, the term "open-ended" refers to subscriptions of indefinite duration, subject only to the subscriptions being canceled.

Brief Summary Text - BSTX (6):

By contrast, magazine subscriptions involve consumers contracting with magazine publishers to pay for and receive magazines for fixed periods of time,

or terms (i.e., 1 year). These magazine subscriptions expire only after their respective terms have elapsed. Until then, subscribers are committed to receive the magazines for the entire length of the subscription time. Some consumers may never subscribe to magazines simply because they are unwilling to commit themselves to buying magazines that they may not want to receive in the future.

Brief Summary Text - BSTX (7):

If magazine subscribers want to continue to receive magazines without disruption, they must renew their subscriptions before they expire. The process of renewing subscriptions traditionally involves two basic stages. First, magazine publishers phone or mail renewal notices to subscribers as subscriptions approach the end of their terms. Mailed renewal notices often comprise letters requesting subscribers to contract to purchase magazines for another term. Subscribers who desire to renew must provide renewal instructions by, for example, filling out the renewal notice form and mailing it back to the magazine publisher. Subscribers may choose to pay the renewal cost at the time of renewal. If not, magazine publishers send invoices to the subscribers returning renewal instructions. The subscribers receiving the invoices must write out checks for the invoice and send them back to the publishers to complete the renewal process. Alternatively, credit card accounts may be used to pay for renewals.

Brief Summary Text - BSTX (8):

Such a renewal process, however, inherently discourages subscribers from renewing their subscriptions. Under this process, all subscribers desiring continued receipt of a magazine title receive renewal notices and provide renewal instructions near the end of every subscription term (e.g., every year). This not only presents needless inconvenience to those subscribers, but also forces subscribers to periodically reconsider and reevaluate whether the value imparted by the subscriptions justify their expense.

Brief Summary Text - BSTX (9):

In addition, publishers usually mail out multiple renewal notices, sometimes up to fifteen, to their subscribers. In some cases, supplemental renewal notices from publishers may cross in the mail with renewal instructions from subscribers. Subscribers receiving these supplemental renewal notices may be uncertain as to whether the publishers received their renewal instructions or whether the subscribers even submitted the instructions. As a result, some subscribers may inadvertently return two (or more) sets of renewal instructions. Also, inadvertent failure to return renewal instructions in a timely fashion may result in sudden, and in some cases unnoticed, disruptions in subscription services. Thus, the traditional renewal process is fraught with problems.

Brief Summary Text - BSTX (10):

Attempts have been made to address the shortcomings of the traditional renewal process. One attempt involved requiring subscribers to agree to automatic renewal of their subscriptions, unless they notified the publishers

otherwise. Under this automatic renewal process, publishers sent invoices near the end of subscription terms without ever sending renewal notices.

Subscribers desiring to terminate their subscriptions returned their invoices with the word "canceled" written on them without enclosing payment. Publishers receiving such invoices processed those subscriptions as canceled. Those subscribers who desired to continue subscription services returned the invoice along with payment for the subscriptions. One magazine publisher, the American Express Publishing Company (AEPC) implemented an automatic subscription renewal system. AEPC required that, in subscribing to its magazines, subscribers must not only agree to automatic 1-year subscription renewals, but also agree to charge payment for the renewals on the subscribers' American Express card.

Brief Summary Text - BSTX (11):

Such automatic renewal systems suffered their own drawbacks. Publishers adopting automatic subscription renewal systems usually imposed automatic renewal as a nonoptional condition to magazine subscriptions. Subscribers often did not even realize that they had to affirmatively cancel their subscriptions to avoid renewal. This was confusing to unwitting subscribers wishing to discontinue receipt of magazines once their subscription terms had ended.

Brief Summary Text - BSTX (13):

Yet other systems required buyers to prepay for multi-year subscriptions. As with the automatic renewal systems noted above, such pre-paid systems provided the buyers little flexibility in payment and cancellation options, and small selections of magazines.

Brief Summary Text - BSTX (14):

Thus, both traditional and automatic subscription renewal systems give rise to unsatisfactory shortcomings and complications that discourage consumers from wanting to subscribe to magazines.

Brief Summary Text - BSTX (15):

In accordance with one aspect of the invention, there is disclosed a system and method of managing subscriptions to commodity items normally available through renewable term-based subscriptions, the method comprising: receiving customer orders for open-ended subscriptions to the commodity items, the open-ended subscriptions expiring only upon request of respective customers; storing the received customer orders; receiving from suppliers subscription information for the commodity items; storing the subscription information, generating supplier orders for renewable term subscriptions to the commodity items based upon the stored customer orders and the stored subscription information; and transmitting the supplier orders to respective suppliers of the commodity items.

Brief Summary Text - BSTX (16):

in accordance with another aspect of the invention, there is provided a system and method for providing open-ended magazine subscriptions, the method comprising: storing in a first database subscription information relating to a

renewable term **subscription** to a magazine offered by a magazine publisher; storing in a second database order information relating to a customer order for an open-ended **subscription** to the magazine, the order information including a billing period, periodically checking a billing status of the renewable term **subscription**; and transmitting payment to a publisher for the renewable term **subscription** when the billing status indicates that the renewable term **subscription** requires renewal.

Drawing Description Text - DRTX (12):

FIG. 9 illustrates a **subscription** process executed by the system shown in FIG. 1;

Detailed Description Text - DETX (3):

The system of the invention avoids the shortcomings of prior art renewal systems by offering magazine **subscriptions** on an open-ended basis, thereby eliminating any need for renewals. The system interfaces magazine publishers with magazine subscribers, and takes into account the fact that magazine publishers, in practice, normally only offer magazine **subscriptions** to subscribers on a term (fixed period of time) basis. The system also integrates magazine publishers and magazine subscribers with a payment clearinghouse to simplify **subscription** payments. While the system is described in connection with magazine **subscriptions**, it applies to any commodity item that is normally available to consumers only through renewable term-based **subscriptions**.

Detailed Description Text - DETX (4):

The system of the invention includes a central agent that serves as the front-end for commodity suppliers. This central agent maintains databases and produces **subscription** records to provide open-ended **subscription** services to its customers, while supporting the term-based **subscriptions** of the commodity suppliers.

Detailed Description Text - DETX (7):

Agent 110 preferably comprises a processor-based system that maintains databases of information relating to magazine **subscriptions**. Agent 110 interfaces customers 120 with suppliers 130 to provide open-ended magazine **subscriptions** to customers 120. Agent 110 correlates information stored in these databases to effect the purchase of **subscription** items from suppliers 130 in accordance with **subscription** information stored in one of the databases and to effect the sale of the **subscription** items to customers 120 in accordance with sales information stored in another database. The structure of one embodiment of agent 110 is described below in connection with FIG. 2.

Detailed Description Text - DETX (8):

Customers 120 include parties, such as individuals or companies, wishing to subscribe to magazines on an open-ended basis. Customers 120 order magazines through agent 110 by transmitting **subscription** orders specifying what magazines they wish to subscribe to. Customers 120 can transmit these **subscription** orders through various ways. In a preferred embodiment, customers 120 fill out paper forms specifying which magazines they wish to subscribe to and mail them

to agent 110. Operators at agent 110 type or scan the subscription orders into data terminals. Two alternative ways for customers 120 to transmit subscription orders to agent 110 include customers 120 telephoning operators at agent 110 to verbally specify their subscription interests and customers 120 transmitting subscription orders electronically from a customer's data terminal to an operator's data terminal connected, for example, through a public switched telephone network or the Internet. As described in greater detail below, customers 120 sign up for open-ended magazine subscriptions through agent 120 and can cancel the subscriptions by notifying agent 110.

Detailed Description Text - DETX (9):

Commodity suppliers 130 (magazine publishers) provide commodity items, such as magazines, through term-based subscriptions. Suppliers 130 receive subscription records and payment based upon the agent rate from agent 110, and based upon the received subscription records, deliver commodities (magazines) to customers 120 (magazine subscribers) as they otherwise would for term-based subscriptions. In a preferred embodiment, agent 110 transmits subscription and cancellation records to suppliers 130 through a public switched phone network. These subscription records preferably contain a unique code that causes suppliers 130 to suppress issuance of renewal notices so that customers 120 do not receive any renewal notices while the open-ended subscription remains active.

Detailed Description Text - DETX (12):

CPU 210 executes program code (not shown) stored in one or more of RAM 220, ROM 230, and storage device 250 to carry out the functions and acts described in connection with agent 110. CPU 210 preferably comprises at least one high-speed digital data processor adequate to execute program modules for magazine ordering, subscriptions, continuous billing, and magazine order cancellation. These modules are described in connection with FIGS. 7-10 B. CPU 210 interacts with RAM 220, ROM 230, and storage device 250 to execute stored program code according to conventional data processing techniques.

Detailed Description Text - DETX (14):

Large capacity storage device 250 contains transaction processor 252, order database 254, magazine database 256, and publisher database 258. Transaction processor 252 maintains, calculates, and accesses data stored in the databases and generates publisher subscription and cancellation records, as described in connection with FIGS. 6-11B. Transaction processor 252 preferably encrypts financial or credit card data before transmission according to conventional encryption techniques. Transaction processor 252 may comprise a separate, conventional CPU/microprocessor, or a portion of the operating function of CPU 210. Order database 254 contains data about customers 120 and which magazines they desire to subscribe to. Magazine database 256 contains information about each magazine, including its publisher, cost, and distribution frequency. Publisher database 258 contains information relating to magazine publishers, including which magazines each publishes and the data formats used to generate subscription and cancellation orders. Samples of the records and their respective fields contained in databases 252, 254, and 256 are shown in and

described in connection with FIGS. 3-5. A representation of a database conversion for generating subscription records used by suppliers 130 is shown in FIG. 6.

Detailed Description Text - DETX (17):

Samples of the contents of databases 254, 256, and 258 are shown in FIGS. 3-5. The specific data and fields illustrated in these figures represent only one embodiment of the records stored in the databases of the invention. In most cases, the fields shown in FIGS. 3-5 are relatively straight forward and self-explanatory. It is understood that the data and fields of these databases, as well as the number of databases, can be readily modified from the described embodiment and adapted to provide open-ended availability to commodity items, such as magazines, normally available to consumers only through renewable term-based subscriptions without undue experimentation.

Detailed Description Text - DETX (20):

Publisher database 258 contains information about the magazine publishers. FIG. 5 illustrates a sample of the contents of publisher database 258. As shown in FIG. 5, publisher database 258 contains publisher records having fields corresponding to, for example, publisher ID, publisher name, publisher information, publisher subscription data format, list of magazine IDs published, and publisher cancellation data format. Publishers subscription data format and publisher cancellation data format are files describing the internal data formats that respective publishers use to process subscriptions and cancellations. Using these formats, agent 110 can transmit subscription and cancellation orders in the same unique format used internally by suppliers 130 themselves, thereby minimizing incompatibility problems. Like the data in magazine database 256, data in publisher database 258 is also provided and periodically updated by magazine publishers.

Detailed Description Text - DETX (21):

The use of data from order database 254 and magazine database 256 to generate publisher subscription records according to the publishers unique format is represented in FIG. 6. Agent 110 uses order database 254 and magazine database 256 to generate publisher subscription records in accordance with the formats stored in publisher database 258. Agent 110 transmits these subscription records to respective suppliers 130 for their use. Agent 110 also generates publisher cancellation records in a similar manner to cancel subscriptions from suppliers 130.

Detailed Description Text - DETX (23):

In providing open-ended availability to magazines normally available to consumers only through renewable term-based subscriptions, the system shown and described in connection with FIGS. 1 and 2 preferably executes several distinct modules, or processes. These processes include an ordering process, a conversion process, a subscription process, a continuous billing process, and a cancellation process. The steps associated with these processes are described in connection with FIGS. 7-11B and can be performed in any order, unless otherwise specified or dictated by the steps themselves. In alternative

embodiments, these processes can be modified from what is described and adapted to provide open-ended availability to commodity items, such as magazines, normally available only through renewable term-based subscriptions.

Detailed Description Text - DETX (24):

The ordering process involves a series of steps through which the system establishes data stored in order database 254. As shown in FIG. 7, operators at agent 110 receive subscription orders for magazine subscriptions from customers 120 (step 710). Agent 110 creates order records from the subscription orders for storage in order database 254 (step 710). The received subscription orders may comprise preprinted order forms from which customers 120 select or indicate which magazines they want to subscribe to on an open-ended basis. The forms contain the consumer rate at which respective magazines are available. Agent 130 agrees to notify customers 120 as soon as any changes to the customer rate occur. The data in these subscription orders includes magazine identification (ID) for each magazine to which customers 120 desire to subscribe and payment information, such as credit card number and expiration date. Using the magazine IDs contained in the subscription orders, agent 120 retrieves corresponding magazine information from magazine database 256 (step 720). This magazine information preferably includes publisher term information and consumer rate for term. Agent 110 calculates data for two of the remaining fields of order database 254, and the "first payment amount" field, as follows: ##EQU1## By way of example, where the publisher term is twelve (12) months and the agent rate is \$18 per year, and where the date of order is Jan. 1, 1997, payment frequency is quarterly (i.e. once every three (3) months), and consumer rate is \$36 per year, the above fields can be calculated as follows: ##EQU2## Preferably, the system rounds off each month to constitute one 'unit' for purposes of calculations based on dates.

Detailed Description Text - DETX (25):

Data for the remaining fields represent either predetermined or constant information (e.g., payment frequency, status, sale terms) or information determined upon processing of the subscription order (e.g., order ID, date of order).

Detailed Description Text - DETX (27):

FIG. 8 illustrates a conversion process of the invention. In accordance with this conversion process, the system of the invention allows consumers to "convert" their term-based subscriptions into open-ended subscriptions. The system utilizes information related to the particular term-based subscription to retrieve information needed to perform the conversion. As shown in FIG. 8, the system receives information on the customer's term-based subscription (step 810). This information preferably includes the magazine title, customer information, and term expiration date. In one embodiment, the system receives the information from customer 120. Alternatively, the system may receive the information from supplier 130. The system uses this received information to retrieve related magazine from database 256 and publisher information from database 258 (step 810) and creates an order record (step 820). The system stores the order record in order database 254 (step 820).

Detailed Description Text - DETX (28):

The system creates a magazine subscription record and transmits the record to supplier 130 (magazine publisher) (step 830). This step is similar to steps 1055 and 1060 described in connection with FIG. 10B below. This magazine subscription record preferably instructs supplier 130 that agent 110 will assume continued payment of the subscription. This magazine subscription record also instructs supplier 130 to either suppress mailing of renewal notices or mail such notices to agent 110. Further, the magazine subscription record preferably includes the customer's name and address as recipient of the magazine so that the customer receives uninterrupted delivery of the magazine.

Detailed Description Text - DETX (29):

The subscription process involves a series of steps through which the system processes order records to generate publisher subscription records, which are transmitted to commodity suppliers 130 for their use in delivering magazines. As illustrated in FIG. 9, agent 110 extracts the magazine ID number from an order record and retrieves magazine information from magazine database 256 corresponding to that magazine ID number (step 910). Agent 110 extracts the publisher ID number from the extracted magazine information to retrieve publisher information from publisher database 258 (step 920). Agent 110 creates magazine subscription records in publisher subscription data format, as stored in database 258, and using order records stored in order database 254 and magazine records stored in magazine database 256 (step 930). This step is described in greater detail above in connection with FIG. 6. Agent 110 transmits the subscription records to supplier 130 (magazine publisher), along with agent rate payment for the subscription term (step 940). In this way, agent 110 pays supplier 130 for delivery of magazines for a full term based upon the less expensive agent rate, and receives payments from customers 120 once every payment frequency based upon the more expensive consumer rate.

Detailed Description Text - DETX (32):

Agent 110 also determines whether the term for any paid subscriptions has expired and, if so, issues appropriate renewal instructions to the publisher. As illustrated in FIG. 10B, agent 110 determines whether the publisher term expiration date for each order record is less than (e.g., earlier than) today's date (step 1040). If no publisher term expiration dates are less than today's date, then no subscriptions need renewal (step 1045). If at least one publisher term expiration date is less than today's date, then agent 110 determines that those subscriptions need renewal and retrieves from publisher database 258 publisher information corresponding to the publisher ID of each subscription requiring renewal (step 1050). Agent 110 creates a new magazine subscription record using the appropriate publisher subscription data format and using appropriate magazine and order records (step 1055). Agent 110 transmits the new magazine subscription record, along with payment based upon the agent rate, to the appropriate supplier 130 (step 1060).

Detailed Description Text - DETX (33):

The cancellation process involves updating order records to reflect

cancellation orders from customers 120. Since customer subscriptions are provided on an open-ended basis, customers can notify agent 110 at any time that they would like their subscriptions canceled. With reference to FIG. 11A, upon receiving cancellation orders, agent 110 searches order database 254 for customer information matching that of the customer who canceled his subscription (step 1110). Agent 110 retrieves the order record (step 1115) and changes the order record status to "canceled" (step 1120). Agent 110 uses the magazine ID in the retrieved order record to retrieve the magazine record corresponding to the canceled subscription (step 1125) and calculates the refund amount that agent 110 owes the customer for prepaid, but undelivered magazine issues (step 1130). This refund amount is calculated based upon information stored in account records and magazine records, including sales terms, next payment date, today's date, payment frequency, and customer rate. If the sales terms provide for full refunds to customers 120, agent 110 calculates the refund amount as follows: ##EQU4## Agent 110 transmits the credit card number, expiration date, and refund amount to clearinghouse 140 (step 1135) and receives authorization and confirmation from clearinghouse 140 that the credit card was credited (step 1140).

Detailed Description Text - DETX (35):

Thus it will be appreciated that, since the customer is paying quarterly on an open-ended basis, and has canceled one-third of the way through a quarter, he receives a refund of two-thirds of his quarterly payment. Since the agent has pre-paid the entire term to the publisher, and has received the benefit of seven months of the 12 month subscription term, he receives a refund for the balance of the year, or five-twelfths of his agent's cost.

Detailed Description Text - DETX (36):

Agent 110 uses publisher IDs from magazine records of the canceled subscriptions to retrieve publisher cancellation data format (step 1150). Agent 110 creates a cancellation record using the publisher cancellation data format and using order and magazine records corresponding to the canceled subscription (step 1155) and transmits to supplier 130 the cancellation record and a request for the calculated refund amount owed to agent 110 (step 1160). Agent 110 receives the refunded amount from supplier 130 (step 1165).

Detailed Description Text - DETX (38):

It will be appreciated that the system and method of the present invention permits many special services to be provided to customer 120 by the agent. For example, the system of the invention can provide the ability to synchronize payment dates of multiple open-ended subscriptions, and the ability to easily start and stop service.

Detailed Description Text - DETX (39):

In order to synchronize the payments of multiple open-ended subscriptions, order database 254 is periodically reviewed to identify multiple subscriptions, as evidenced by order ID's having similar customer information. The payment frequency and next payment date of the multiple subscriptions are reviewed, and an appropriate consolidation is made, for example, by changing the payment

frequency and date for multiple subscriptions to a selected single frequency and date. This change is preferably done in consultation with customer 120, to make billing and service more convenient for the customer.

Detailed Description Text - DETX (40):

Similarly, the system can readily provide other payment schedules tailored to individual customers. For example, a customer may choose to have an expensive subscription cost billed over multiple time periods, while an inexpensive subscription cost can be billed as a single unit, or even grouped and billed with other inexpensive subscription costs.

Detailed Description Text - DETX (41):

Starts and stops, for example to accommodate extended vacations, can be supported responsive to requests from customer 120 by initiating appropriate cancellation and subscription requests in the manner described above. Due to lead times currently required by supplier/publisher 130 to cancel and initiate subscriptions, such starts and stops are only practical for extended periods of stop time. However, as processes of distribution improve in efficiency, such starts and stops may be practical for decreasing stop times.

Detailed Description Text - DETX (43):

The system of the invention provides open-ended availability to commodity items, such as magazines, normally available to consumers only through renewable term-based subscriptions. Such open-ended subscriptions eliminate the drawbacks associated with term-based subscriptions.

Detailed Description Text - DETX (44):

It will be thus seen that one advantage of the invention is that consumers are empowered to obtain open-ended subscriptions to commodity items, such as magazines, normally only available to consumers through renewable term-based subscriptions. Another advantage is that subscription renewal notices, and associated billings, are eliminated. Yet another advantage is that the inherent risk that magazine subscriptions will be disrupted because the magazine publisher did not receive renewal instructions or payment is avoided. Still another advantage is that subscribers can have the flexibility to cancel subscriptions at any time, and not only when a subscription term has elapsed. A further advantage is that a wide selection of magazines can be provided under a continuous service program.

Claims Text - CLTX (1):

1. A system for managing subscriptions to commodity items normally available through renewable term-based subscriptions, comprising:

Claims Text - CLTX (2):

means For receiving customer orders for open-ended subscriptions to said commodity items, said open-ended subscriptions expiring only upon request of respective customers;

Claims Text - CLTX (4):

means for receiving from suppliers subscription information for said commodity items;

Claims Text - CLTX (5):

means for storing said subscription information;

Claims Text - CLTX (6):

means for generating supplier orders for renewable term subscriptions to said commodity items based upon said stored customer orders and said stored subscription information; and

Claims Text - CLTX (8):

2. The system of claim 1, wherein said customer orders include customer name, customer address, customer payment information, and information specifying particular commodity items for the open-ended subscriptions.

Claims Text - CLTX (10):

4. The system according to claim 1, wherein the means for receiving customer orders comprises means for receiving payment for the open-ended subscriptions.

Claims Text - CLTX (12):

means for checking billing statuses of the renewable term subscriptions for the commodity items; and

Claims Text - CLTX (15):

7. The system of claim 1 wherein said commodity items comprise magazines and said subscription information includes a publisher identifier, a magazine identifier, and a term.

Claims Text - CLTX (16):

8. A method of managing subscriptions to commodity items normally available through renewable term-based subscriptions, comprising the steps of:

Claims Text - CLTX (17):

receiving customer orders for open-ended subscriptions to said commodity items, said open-ended subscriptions expiring only upon request of respective customers;

Claims Text - CLTX (19):

receiving from suppliers subscription information for said commodity items;

Claims Text - CLTX (20):

storing said subscription information;

Claims Text - CLTX (21):

generating supplier orders for renewable term subscriptions to said commodity items based upon said stored customer orders and said stored subscription information; and

Claims Text - CLTX (23):

9. The method according to claim 8, wherein said customer orders include customer name, customer address, customer payment information, and information specifying particular commodity items for the open-ended subscriptions.

Claims Text - CLTX (25):

11. The method according to claim 8, wherein the step of receiving customer orders comprises the substep of receiving payment for the open-ended subscriptions.

Claims Text - CLTX (27):

checking billing statuses of the renewable term subscriptions for the commodity items; and

Claims Text - CLTX (30):

14. The method of claim 8 wherein said commodity items comprise magazines and said subscription information includes a publisher identifier, a magazine identifier, and a term.

Claims Text - CLTX (31):

15. An article of manufacture for causing a computer to manage subscriptions to commodity items normally available through renewable term-based subscriptions, comprising:

Claims Text - CLTX (32):

means for causing a computer to receive customer orders for open-ended subscriptions to said commodity items, said open-ended subscriptions expiring only upon request of respective customers;

Claims Text - CLTX (34):

means for causing a computer to receive from suppliers subscription information for said commodity items;

Claims Text - CLTX (35):

means for causing said computer to store said subscription information;

Claims Text - CLTX (36):

means for causing a computer to generate supplier orders for renewable term subscriptions to said commodity items based upon said stored customer orders and said stored subscription information; and

Claims Text - CLTX (38):

16. A system for offering open-ended magazine subscriptions, comprising:

Claims Text - CLTX (39):

a first database storing subscription information associated with a plurality of magazines supplied by a plurality of publishers on a renewable term basis, said subscription information including

Claims Text - CLTX (42):

a subscription term for said magazine, and

Claims Text - CLTX (44):

a second database storing customer order information associated with customer orders for continuous subscriptions to said magazines, said customer order information including

Claims Text - CLTX (51):

means for processing said subscription information stored in said first database and said customer order information stored in said second database to generate a supplier order for a renewable term subscription to said magazine.

Claims Text - CLTX (53):

means for receiving from consumers cancellations of the open-ended subscriptions; and

Claims Text - CLTX (54):

means for canceling from the suppliers the term subscriptions corresponding to the canceled open-ended subscriptions.

Claims Text - CLTX (56):

means for checking a billing status of a renewable term subscription; and

Claims Text - CLTX (57):

means for transmitting payment to a supplier for the term subscription, when the renewable term subscription's billing status indicates that payment is due.

Claims Text - CLTX (58):

19. The system according to claim 16, further comprising means for requesting suppression of renewal notices for a magazine subscription from a publisher to a customer.

Claims Text - CLTX (61):

22. A method of offering open-ended magazine subscriptions, comprising:

Claims Text - CLTX (62):

storing in a first database subscription information associated with a plurality of magazines supplied by a plurality of publishers on a renewable term basis, said subscription information including

Claims Text - CLTX (65):

a subscription term for said magazine, and

Claims Text - CLTX (67):

storing in a second database customer order information associated with customer orders for continuous subscriptions to said magazines, said customer order information including

Claims Text - CLTX (74):

processing said subscription information stored in said first database and said customer order information stored in said second database; and

Claims Text - CLTX (75):

generating a supplier order for a renewable term subscription to said magazine based upon said processing.

Claims Text - CLTX (77):

receiving from consumers cancellations of the open-ended subscriptions; and

Claims Text - CLTX (78):

canceling from the suppliers the term subscriptions corresponding to the canceled open-ended subscriptions.

Claims Text - CLTX (80):

checking a billing status of a renewable term subscription; and

Claims Text - CLTX (81):

transmitting payment to a supplier for the term subscription, when the renewable term subscription's billing status indicates that payment is due.

Claims Text - CLTX (82):

25. The method according to claim 22, further comprising the step of requesting suppression of renewal notices for a magazine subscription from a publisher to a customer.

Claims Text - CLTX (85):

28. A system for ordering magazines through open-ended magazine subscriptions, comprising:

Claims Text - CLTX (86):

a first database storing subscription information relating to a plurality of renewable term subscriptions for magazines from respective publishers;

Claims Text - CLTX (89):

means for selecting information from said first, second, and third databases to create subscription orders for initiating renewable term magazine subscriptions from respective publishers to respective customers.

Claims Text - CLTX (90):

29. The system according to claim 28, further comprising means for transmitting subscription orders to publishers to initiate respective magazine subscriptions.

Claims Text - CLTX (91):

30. The system according to claim 29, further comprising means for transmitting payments to publishers for said magazine subscriptions.

Claims Text - CLTX (92):

31. The system according to claim 29, further comprising means for billing buyers for subscriptions.

Claims Text - CLTX (93):

32. The system according to claim 28, wherein the publisher information includes, for each publisher, a publisher subscription data format, and wherein the means for selecting comprises means for creating a subscription record in the respective publisher subscription data format.

Claims Text - CLTX (94):

33. The system of claim 28 and further including the step of periodically re-selecting information from said first, second, and third databases to create renewal subscription orders for initiating renewals to said renewable term magazine subscriptions from respective publishers to respective customers.

Claims Text - CLTX (95):

34. A method of ordering magazines through open-ended magazine subscriptions, comprising the steps of:

Claims Text - CLTX (96):

storing in a first database subscription information relating to a plurality of renewable term subscriptions for magazines from respective publishers;

Claims Text - CLTX (99):

selecting information from said first, second, and third databases to create subscription orders for initiating renewable term magazine subscriptions from respective publishers to respective customers.

Claims Text - CLTX (100):

35. The method according to claim 34, further comprising the step of transmitting subscription orders to publishers to initiate respective magazine subscriptions.

Claims Text - CLTX (101):

36. The method according to claim 35, further comprising the step of transmitting payments to publishers for said magazine subscriptions.

Claims Text - CLTX (102):

37. The method according to claim 35, further comprising the step of billing buyers for subscriptions.

Claims Text - CLTX (103):

38. The method according to claim 34, wherein the publisher information includes, for each publisher, a publisher subscription data format, and

Claims Text - CLTX (104):

wherein the step of selecting comprises the substep of creating a

subscription record in the respective publisher subscription data format.

Claims Text - CLTX (105):

39. The method of claim 34 and further including the step of periodically re-selecting information from said first, second, and third databases to create renewal subscription orders for initiating renewals to said renewable term magazine subscriptions from respective publishers to respective customers.

Claims Text - CLTX (106):

40. A system for providing open-ended magazine subscriptions, comprising:

Claims Text - CLTX (107):

a first database storing subscription information relating to a renewable term subscription to a magazine offered by a magazine publisher, said renewable term subscription including a subscription term;

Claims Text - CLTX (108):

a second database storing order information relating to a customer order for an open-ended subscription to said magazine;

Claims Text - CLTX (109):

means for periodically checking a billing status of said renewable term subscription; and

Claims Text - CLTX (110):

means for transmitting payment to a publisher for said renewable term subscription when said billing status indicates that said renewable term subscription requires renewal.

Claims Text - CLTX (111):

41. The system according to claim 40, further including means, responsive to said means for periodically checking a billing status, for initiating a renewal of said renewable term subscription when said subscription term has expired.

Claims Text - CLTX (112):

42. The system according to claim 41, further including means for transmitting payment for said subscription renewal.

Claims Text - CLTX (113):

43. A method of providing open-ended magazine subscriptions, comprising the steps of:

Claims Text - CLTX (114):

storing in a first database subscription information relating to a renewable term subscription to a magazine offered by a magazine publisher;

Claims Text - CLTX (115):

storing in a second database order information relating to a customer order

for an open-ended subscription to said magazine, said order information including a billing period;

Claims Text - CLTX (116):

periodically checking a billing status of said renewable term subscription; and

Claims Text - CLTX (117):

transmitting payment to a publisher for said renewable term subscription when said billing status indicates that said renewable term subscription requires renewal.

Claims Text - CLTX (118):

44. The system according to claim 43, further including the step of initiating, responsive to said step of periodically checking a billing status, renewal of said renewable term subscription when said subscription term has expired.

Claims Text - CLTX (119):

45. The method according to claim 44, further including further including the step of transmitting payment for said subscription renewal.

Other Reference Publication - OREF (16):

Folio: The Magazine for Magazine Management, Aug. 1, 1996, "New Hope For Autorenewals. Automatic Magazine Subscription Renewal", vol. 25, No. 11, p. 24, ISSN: 0046-4333.

Other Reference Publication - OREF (20):

Folio: Publishing News, "Magazines report poor results in renewal service's tests: AutoRenew automatic subscription renewal service," Apr. 1992, vol. 4, No. 4, p. 10, ISSN: 1043-8688.

Other Reference Publication - OREF (22):

Folio: The Magazine for Magazine Management, "No automatic acceptance for AutoRenew; periodical subscription; Update," May 1, 1991, vol. 20; No. 5; p. 13; ISSN: 0046-4333.

Other Reference Publication - OREF (26):

William H. Huff, "Serial Subscription Agencies", Library Trends, vol. 24, No. 4, pp. 683-709, Apr. 1976.

Other Reference Publication - OREF (27):

Cibbarelli, Pamela, "Cibbarelli's surveys: User ratings of library subscription services", Computers in Libraries (ICLB), vol. 15, No. 6, pp. 29-34, Jun. 1995.